

**AMENDMENT OFFERED BY MR. HALL AND MR.
KLUG**

TO THE MEDICAID RECONCILIATION PROVISIONS

(Page & line nos. refer to Committee Print of 6/11/97;
MEDICAID.007)

After section 3455, insert the following new section:

1 SEC. 3456. AUTHORIZING ADMINISTRATIVE STREAMLINING
2 AND PRIVATIZING MODIFICATIONS UNDER
3 THE MEDICAID PROGRAM.

4 Section 1902 (42 U.S.C. 1396a) is amended by add-
5 ing at the end the following:

6 “(aa)(1) Notwithstanding any other provision of law,
7 no provision of law shall be construed as preventing any
8 State from allowing determinations of eligibility to receive
9 medical assistance under this title to be made by an entity
10 that is not a State or local government, or by an individual
11 who is not an employee of a State or local government,
12 which meets such qualifications as the State determines.
13 For purposes of any Federal law, such determinations
14 shall be considered to be made by the State and by a State
15 agency.

16 “(2) Nothing in this subsection shall be construed as
17 affecting—

1 “(A) the conditions for eligibility for benefits
2 (including any conditions relating to income or re-
3 sources); and

4 “(B) the rights to challenge determinations re-
5 garding eligibility or rights to benefits; and

6 “(C) determinations regarding quality control
7 or error rates.”.